

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 3907 - HB 3791

February 19, 2010

SUMMARY OF BILL: Beginning September 1, 2010, requires a civil penalty of not less than \$2,500 for a first conviction of violating an out-of-service order and not less than \$5,000 for a second or subsequent conviction. Effective January 1, 2011, defines the minimum required information that all traffic citations, reports of conviction, and notices of conviction must contain. Decreases from 10 to five, the number of days required for the clerk of the court of jurisdiction to notify the Department of Safety (DOS) of the conviction and the number of days required for DOS to notify the driver licensing authority that issued the license of a nonresident. Requires persons holding a valid commercial driver license to maintain a valid medical card and provide DOS with a copy of the card. Beginning January 1, 2012, requires an applicant for a commercial driver license to provide DOS with a copy of the medical card or evidence of exemption.

ESTIMATED FISCAL IMPACT:

**Increase State Revenue – \$45,000/One-Time
\$10,000/Recurring**

**Increase State Expenditures – \$45,000/One-Time
\$90,900/Recurring**

Increase Federal Expenditures – \$45,000/One-Time

Increase Local Expenditures – Not Significant

Other Fiscal Impact – According to the Department of Safety and the Department of Transportation, Tennessee's commercial driver license program could be deemed as non-compliant in the absence of the federal requirements for commercial driver license holders pursuant to Title 49 Part 384 of federal code which this bill provides. Non-compliance would result in a decrease in federal highway funds of \$19,698,605 in the first year of non-compliance and \$39,397,210 in the second year.

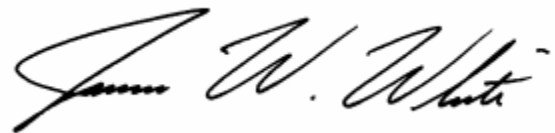
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Assumptions:

- According to DOS a total of six new computer programs will be required to assess and track revocation/suspension for non-compliance with the provisions of this bill and to implement the medical card certification program. Each program will cost approximately \$5,000 for a total one-time expenditure of \$30,000 (6 programs x \$5,000).
- According to DOS, three additional Safety Examiner 2 positions will be needed to handle the new provisions of these programs. One-time operational expenditures associated with creating three new positions will be \$5,000 per position (computer equipment, software, office supplies, and telephone) for a total of \$15,000.
- DOS will be reimbursed for one-time operational expenditures in the amount of \$45,000 under a federal commercial driver license grant. This will result in a one-time increase in federal expenditures and a one-time increase in state revenue.
- According to DOS, recurring expenditures associated with three new positions will be approximately \$30,300 per position (\$20,600 salary, \$7,000 benefits, \$2,700 office supplies and telephone) for a total increase in recurring expenditures of \$90,900.
- According to DOS, there were four convictions in FY08-09 for violating out-of-service orders that would have been fined \$2,500 under this bill. There will be a recurring increase to state revenue of \$10,000 (4 x \$2,500 fine).
- Any increase to local government expenditures to carry out or enforce the provisions of this bill is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/jaw